

District I – (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II – (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III – (505) 334-6178  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV – (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
June 16, 2008

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Four Star Oil & Gas Company Attn: Regulatory Specialist P.O. Box 730 Aztec, NM 87410		<sup>2</sup> OGRID Number 131994
		<sup>3</sup> API Number 30 -045-28855
<sup>4</sup> Property Code 4900 303812	<sup>5</sup> Property Name Nickles 11	
<sup>6</sup> Well No. 002		
<sup>7</sup> Proposed Pool 1 Basin Fruitland Coal (71629)		<sup>10</sup> Proposed Pool 2 RCVD AUG 10 '11 OIL CONS. DIV.

<sup>7</sup> Surface Location									DIST. 3
UL or lot no. L	Section 11	Township 31N	Range 13W	Lot Idn NW1/4SW1/4	Feet from the 1820'	North/South line South	Feet from the 920'	East/West line West	County San Juan

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

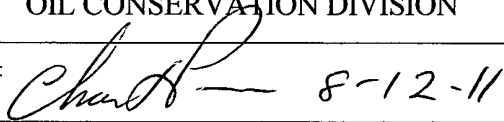
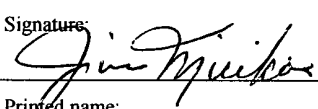
Additional Well Information				
<sup>11</sup> Work Type Code Re-Enter	<sup>12</sup> Well Type Code Gas	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code Fee	<sup>15</sup> Ground Level Elevation 5693'
<sup>16</sup> Multiple yes	<sup>17</sup> Proposed Depth 1672' -1892'	<sup>18</sup> Formation Fruitland Coal	<sup>19</sup> Contractor	<sup>20</sup> Spud Date August 15, 2011

<sup>21</sup> Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 ¼	8 5/8	24#	349'	260 sks	0
7 7/8	5 ½	17#	1918'	200 sks Howco Lt	0
				150 sks CI "B"	

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

This well was frac'd in 1994 and then P & A's in 1996. Plan to re-enter & re-complete and return to production. No additional casing will be added to the original program. Testing existing casing to 3500 PSI and adding two (2) 3/8" J-55 tubing to 1885'. Please see attached work over procedures dated April 8, 2008 attached hereto. As this well is currently a P & A'd Well, Four Star is planning to re-enter and propos to utilize the current existing wellbore and casing which specifics as set forth and reflected in the Proposed Casing and Cement Program next above in section 21.

Well originally TD'd@ 1930 on 12-29-92 with a PBTD of 1918'. Procedure to include plans to DO & CO well to original TD of 1930'. Then Cement squeeze existing basal FC perfs, re-perf and frac basal FC (1830'-1892'), DO & CO to a new PBTD of ~1924' (leaving cmt retainer as new PBTD), perf, isolate with CBP & complete upper FC (1672' – 1792'), DO & CO to new PBTD @ 1924'.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION	
	Approved by: 	
Signature: 	Title: SUPERVISOR DISTRICT #3	
Printed name: Jim Micikas		
Title: Production Engineer	Approval Date: AUG 22 2011	Expiration Date: AUG 22 2012
E-mail Address: micikjd@chevron.com		
Date: 6-15-11	Phone: 505-333-1920 / 505-333-1913	Conditions of Approval Attached <input checked="" type="checkbox"/> Hold C-104 for collected C-102

AUG 22 2011

A

DISTRICT I  
1626 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-28855	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Bassin Fraitand coal
<sup>4</sup> Property Code 302852 303812	<sup>5</sup> Property Name NICKLES 11	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 24133	<sup>8</sup> Operator Name FOUR STAR CHEVRON MIDCONTINENT L.P. OIL & GAS CO	<sup>9</sup> Elevation 5693

131994

<sup>10</sup> Surface Location

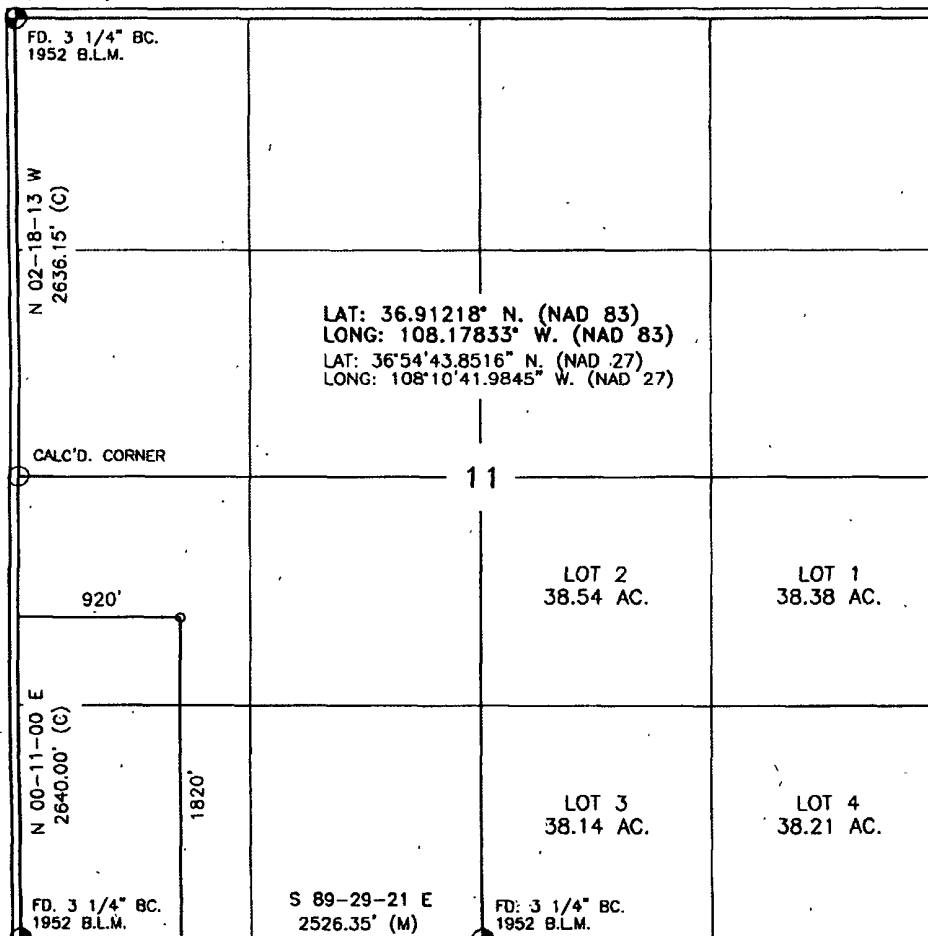
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	11	31-N	13-W		1820	SOUTH	920	WEST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 5/2 313.27AC		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16



17

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Pamela Rainey 5/14/08  
Signature Date  
Pamela Rainey  
Printed Name

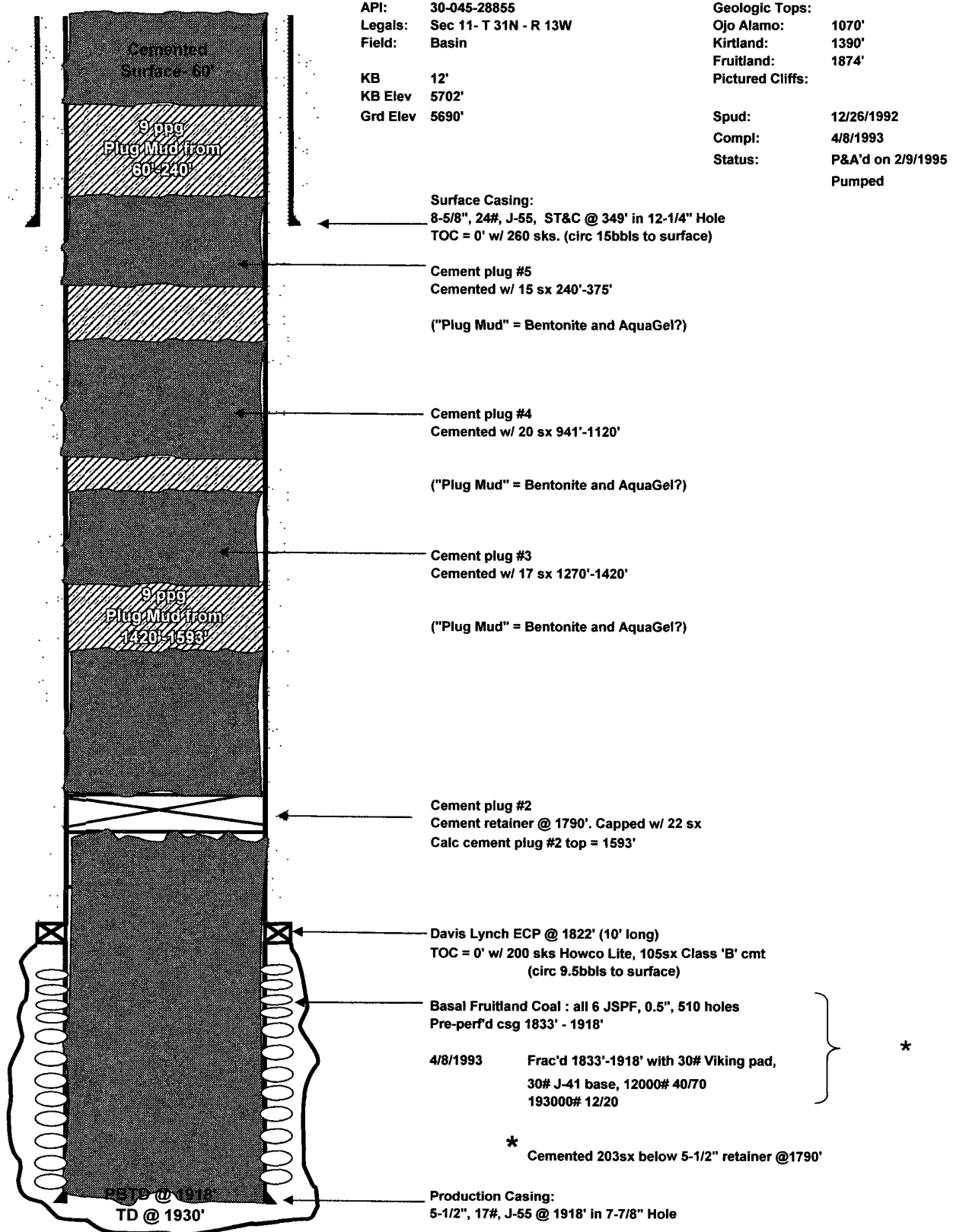
18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

APRIL 28, 2008  
Date of Survey  
Signature and Seal of Professional Surveyor  
A. RUSH  
REGISTERED PROFESSIONAL LAND SURVEYOR  
05-18894-08  
Certificate Number



**Nickles 11-2 - P&A**  
**San Juan County, New Mexico**  
**Current Well Schematic as of 4-1-2008**



Prepared by: Anne Djuanda  
Date: 4/1/2008

Revised by:  
Date:



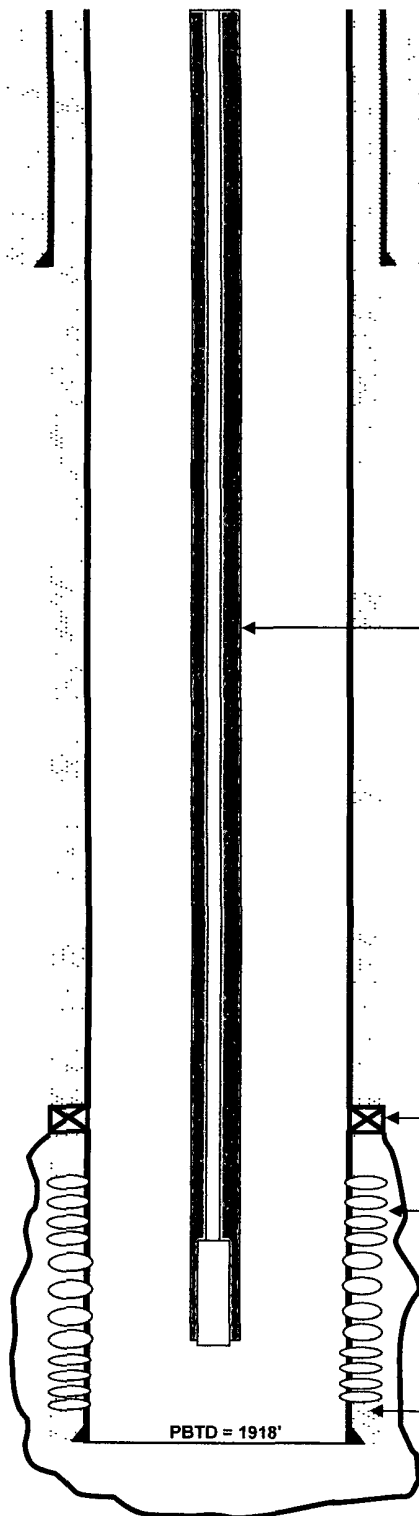
**Nickles 11-2 - P&A**  
**San Juan County, New Mexico**  
**Proposed Well Schematic as of 4-8-2008**

API: 30-045-28855  
Legals: Sec 11- T 31N - R 13W  
Field: Basin

KB 12'  
KB Elev 5702'  
Grd Elev 5690'

Geologic Tops:  
Ojo Alamo: 1070'  
Kirtland: 1390'  
Fruitland: 1874'  
Pictured Cliffs:

Spud: 12/26/1992  
Compl:   
Status: P&A'd on 2/9/1995  
Pumped



Surface Casing:  
8-5/8", 24#, J-55, ST&C @ 349' in 12-1/4" Hole  
TOC = 0' w/ 260 sks. (circ 15bbbs to surface)

Proposed Tbg details: 2-3/8" 4.7ppf J-55  
Rod pumped

Davis Lynch ECP @ 1822' (10' long)  
TOC = 0' w/ 200 sks Howco Lite, 105sx Class 'B' cmt  
(circ 9.5bbbs to surface)

Basal Fruitland Coal : all 6 JSPF, 0.5", 510 holes  
Pre-perf'd csg 1833' - 1918'

4/8/1993      Frac'd 1833'-1918' with 30# Viking pad,  
30# J-41 base, 12000# 40/70  
193000# 12/20

Production Casing:  
5-1/2", 17#, J-55 @ 1918' in 7-7/8" Hole

PBTD = 1918'

\*  
Proposed Basal Re-perf w/ 8 JSPF 90 deg  
1830'-1832'  
1874'-1892'  
Re-frac

Prepared by: Anne Djuanda  
Date: 4/1/2008

Revised by: Anne Djuanda  
Date: 10/9/2008



CHEVRON  
Mid-Continent Business Unit  
Coal Bed Methane

## **Nickles 11-2**

San Juan County, New Mexico  
Sec 11 - T 31N - R 13W  
Field: La Plata  
API: 30-045-28855  
CHEVNO:  
WBS:

*use for Resubmittal  
8-8-11*

Date: April 8, 2008  
Revised:

Prepared by: Anne Djuanda

Production Engineers: Anne Djuanda/ [ahml@chevron.com](mailto:ahml@chevron.com) Jim Micikas  
(281) 561-4724/ [micikjd@chevron.com](mailto:micikjd@chevron.com)  
(281) 561-4860

Workover Engineer: Cuong Truong / CT  
[truonch@chevron.com](mailto:truonch@chevron.com)  
(281) 561-3872

Pumper: Nick Sherman  
(970) 759-3361

**STATUS:** WELL WAS P&A'D IN 1996. FRAC'D IN 1994 AND WENT OUT OF ZONE. WELL NEVER PRODUCED TO POTENTIAL. MAX RATE 10 MSCF/D AND 3 BWPD.

### **PROJECT SCOPE: RE-ENTER P&A'D WELL. RE-COMPLETE AND RETURN TO PRODUCTION**

1. DRILL OUT 5 CEMENT PLUGS, THROUGH PLUG MUD, AND CEMENT RETAINER
2. CLEAN OUT TO PBTD.
3. TEST CASING TO 3500 PSI
4. RE PERF AND RE-FRAC BASAL COAL SECTION
5. PERF AND FRAC UPPER FRUITLAND COAL SECTION
6. LAND NEW 2-3/8" J-55 TUBING. LAND PUMP AND RODS.
7. INSTALL DYNASAVE PUMPING UNIT.

### **Procedure**

1. Install and test rig anchors. Record test results. Prepare workover pit. Comply w/ all BLM and Chevron HES Regulations.
2. PUT LO/TO on well. Bleed down any pressure if present.
3. MI and R/U rig. Conduct safety meeting w/ all personnel on location.



4. ND Wellhead, NU cleanout spool, BOP's with 1- 6" blooie line or 2- 3" flow back lines to pit. Pressure test BOP's. Record test.
5. PU 4-3/4" bladed bit, bit sub, 6 - 3-1/2" slick DC, 2-3/8" WS with 5-1/2" watermelon mill. RIH with working string. Tag fill. Drill out PBTD to TD @ 1930'. C/O to new PBTD=TD @ ~1930'. Break circulation. Circ hole clean with 2% KCl water w/ biocide.
  - a. Watch workstring weight and note if there is significant weight change from 1790' to 1822'. Cement plug #1 (see WBD) top may not be below retainer. Record approx TOC plug #1 if there is significant weight change.
6. Pump in with water with workstring and see if any pressure buildup is seen. Record pressure build up.
  - a. If vol of water pumped circ back, then shut down and RU wireline for CBL/CCL/GR log to verify integrity of cement behind 5-1/2" liner.
  - b. If vol of water pumped is not circ back, then shut down and prepare for cement operations.
7. POOH with workstring
8. Test casing. Record test results at each stage for BLM records.
  - a. PU RBP and set to ~1500'. Load with 2% KCl water treated with biocide and test csg to 3000#.
  - b. RIH and latch on RBP and move up to 1200'. Load water and test csg.
  - c. RIH and latch on RBP and move up to 600'. Load water and test csg. If casing doesn't test prepare for remediation plans.

9. POOH with RBP and workstring.

**Cement Operations, steps 10-12:**

10. RIH 5-1/2" cement retainer on 2-3/8" workstring. POOH.
11. PU 2-3/8" workstring w/ snap-latch setting tool and sting onto cement retainer. Start pumping cement. Watch casing pressure. Shut down cement pumps when pressure is seen.
12. PU 4-3/4" bladed bit, bit sub and DC's on 2-3/8" workstring. Drill out cement inside 5-1/2" liner to top of cement retainer PBTD @ ~1924'. Break circulation with 2% KCl water w/ biocide.

Note: Cement retainer will be kept as new PBTD

13. RIH with wireline 4" HEGS and perf Basal coal 8 JSPF at 90deg at 1874'-1892', 1830'-1832'. POOH after 2<sup>nd</sup> run.
14. RD wireline. MIRU frac equipment. Frac Basal Coal
15. RU wireline and set CBP @ 1810' with 4" HEGS and perf Upper Fruitland coal 3 JSPF at 90deg @ 1786'-1792', 1780'-1783', 1672'-1677' all inclusive. RD wireline.
16. RU 4-3/4" bit, bit sub and 3-1/2" DC on 2-3/8" WS and drill out CBP @ 1810'. C/O to PBTD at 1924' and break circulation. Report any frac sand and/or coal returns.



17. RU wireline and Protechnics. Run Protechnics spinner survey from 1660' to 1910'.
18. POOH. RD wireline. Release same. Send spinner surveys to production engineers and workover engineer listed above
19. POOH with 2-3/8" tubing and wireline re-entry guide.
20. PU Muleshoe and Seating Nipple and RIH with new 2-3/8" 4.7ppf J-55 tubing. Land well w/ EOT @ ~1885'
21. ND Cleanout spool, BOP, 6" blooie or 3" flow back lines. NU wellhead.
22. PU rods and 1-1/4" insert pump
23. Install new DynaSave pumping unit.
24. Call pumper of new well conditions and notify to be on location to start up PU.
25. RD WO rig and MOL
26. Turn well to production